

# **Preliminary For Review**

## **MINUTES**

### **STATE BUILDING COMMISSION MEETING**

#### **EXECUTIVE SUB-COMMITTEE**

**JULY 23, 2007**

The State Building Commission Executive Subcommittee met this day at 10:30 a.m. in the Executive Conference Room, Ground Floor, State Capitol, Nashville, Tennessee.

#### **STATE BUILDING COMMISSION SUB-COMMITTEE MEMBERS PRESENT**

Dave Goetz, Commissioner, Department of Finance and Administration  
John Morgan, Comptroller of the Treasury  
Dale Sims, State Treasurer  
Riley Darnell, Secretary of State

#### **OTHERS PRESENT**

Mike Fitts, State Architect  
Georgia Martin, State Architect's Office  
Alan Robertson, Assistant State Architect  
Charles Garrett, Real Property Administration  
Mark Wood, Secretary of State's Office  
Genie Whitesell, Attorney General's Office  
Pat Haas, Bond Finance  
Amanda Hoback, Bond Finance  
George Brummett, Finance and Administration  
Ike Boone, Finance and Administration  
Nancy Blevins, Finance & Administration  
Dennis Raffield, THEC  
Mark Cherpack, Finance & Administration  
John Gregory, TWRA  
Alvin Payne, University of Tennessee  
David Thurman, Legislative Budget Analysis  
Diane Uhler, Tennessee Board of Regents  
John Cothorn, Middle Tennessee State University  
Charles Peccolo, University of Tennessee  
George Criss, University of Tennessee  
Gary Rodgers, University of Tennessee  
Claire Drowota, Select Oversight Committee on  
Correction  
Bill Bauer, Finance & Administration  
Mike Morrow, Finance & Administration  
Jim Gordon, Children's Services

Harvey Freeman, Real Property Administration  
Bob King, Real Property Administration  
Dianne McKay, Finance & Administration  
Stewart Shunk, Ameresco, Inc.  
Karen Hale, Comptroller's Office  
Ann Butterworth, Comptroller's Office

Commissioner Goetz called the meeting to order at 10:37 a.m. and requested action on the following matters as presented by State Architect Mike Fitts.

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UNIVERSITY OF TENNESSEE

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER of ONE APPRAISAL as required by TCA 4-15-102 and 12-2-112:

Description:	<u>Shelby County – 0.87 +/- acres – 5,900 sq. ft. residence located at 36 Morningside Place- Trans No. 07-06-024 (GM)</u>
Purpose:	Disposal in Fee to dispose of former Chancellor's residence.
Original Cost to State:	\$1,325,000.00
Date of Original Conveyance:	August 1, 2005
Grantor Unto State:	Charles H. Gray, IV, et ux.
Estimated Sale Price:	Fair Market Value
Grantee:	Highest bidder
SSC Report:	07-16-07. Jurgen Bailey summarized the transaction. Gary Rogers explained that the University is getting out of the housing business for Chancellors. Staff referred to Sub-Committee with recommendation.
SC Action:	07-23-07. Subcommittee approved the request as presented. Final action.

**TENNESSEE BOARD OF REGENTS**

**LAND ITEM**

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<b><u>Rutherford County – 250 +/- acres located at 5639 Old Halls Hill Pike, Murfreesboro, TN – Trans. No. 07-06-008 (BW)</u></b>
Purpose:	Acquisition in Fee to purchase the property and in MTSU's Master Plan. Taylor property is a working dairy farm.
Source of Funding:	G. O. Bonds / repayment from sale of Manson Pike Farm property
Estimated Cost:	Fair Market Value
Owner(s):	Douglas & Willie Taylor
SSC Report:	07-16-07. Jurgen Bailey summarized the transaction. This transaction is also contingent on approval of an agreement between MTSU, TBR and State Funding Board, which will have its meeting after the Executive Sub Committee meeting. Staff referred to Sub-Committee with recommendation.
SC Action:	07-23-07. Charles Garrett presented the transaction. Jerry Preston stated that the area is being developed, and the plan was to sell the property when it will be at its greatest value. He said it is also an excellent opportunity to consolidate all the farm activities into the same location. Subcommittee commented that there is an element of speculation involved, and that the market goes up and down. John Cothorn stated that the University receives approximately one call per month from developers who are interested in the property. Subcommittee approved the request as presented, subject to approval by the State Funding Board.

## TENNESSEE BOARD OF REGENTS

### LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Shelby County – 30 +/- acres – 13 lots on Mynders, 10 lots on Central Cv., 5 lots on Walker, 12 lots on Watauga, 22 lots on Midland Ave., 4 lots on Highland, 5 lots on Brister at the University of Memphis, Memphis, TN – Trans. No. 07-05-017 (LW)</u>
Purpose:	Acquisition in Fee to purchase 101 properties located at the University.
Source of Funding:	\$7.0 million appropriation line item in State's budget for TBR/UOM for a land acquisition line of credit
Estimated Cost:	\$11,264,900.00 for entire project
Owner(s):	Various
SSC Report:	07-16-07. Jurgen Bailey summarized the transaction. This \$7.0 million commitment is also contingent on final approval of an agreement between UOM, TBR and State Funding Board, which is after the Executive Sub Committee meeting. Staff referred to Sub-Committee with recommendation.
SC Action:	07-23-07. Charles Garrett presented the transaction. After discussion, the Subcommittee approved the request, subject to State Funding Board approval.

TENNESSEE BOARD OF REGENTS

Statewide

- 1) Approved a Delivery Order and acknowledgment of sources of funding for **Performance Contracting** at Cleveland State Community College in Cleveland, Tennessee.

Estimated Project Cost:	\$ 60,000,000.00
Estimated Delivery Order #1 Cost:	\$ 500,000.00
SBC Project No.	166/000-01-2002

Middle Tennessee State University, Murfreesboro, Tennessee

- 1) Approved a request for a revision in estimated project cost and funding from \$5,000,000.00 to \$6,630,000.00 (a \$1,630,000.00 increase) and acknowledgment of source of funding of the project for **Baseball Stadium Upgrade** at Middle Tennessee State University in Murfreesboro, Tennessee, and authorization to award a Construction Contract to Olympian Construction Company, LLC in the amount of \$5,444,000.00 based upon the Base Bid received June 13, 2007.

Revised Estimated Project Cost:	\$6,630,000.00
SBC Project No.	166/009-11-2005

**DEPARTMENT OF FINANCIAL INSTITUTIONS**

**LEASE AGREEMENT**

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Davidson County – 414 Union Street, Floors 9 & 10, Bank of America Building, Nashville, TN – Trans. No. 07-01-914 (JS)

Purpose: To provide office space for area operations

Term: January 1, 2008 thru December 31, 2017 (10 yrs.)

Proposed Amount:	<u>26,251 Square Feet</u>		
	Annual Contract Rent Incl. Annual		
	Utility & Janitorial Cost:	<u>\$442,985.62</u>	<u>@\$16.87/sf</u>
	Total Annual Effective Cost:	<u>\$442,985.62</u>	<u>@\$16.87/sf</u>

Current Amount:	<u>27,111 Square Feet</u>		
	Annual Contract Rent Incl. Annual		
	Utility & Janitorial Cost:	<u>\$539,814.24</u>	<u>@\$19.91/sf</u>
	Total Annual Effective Cost:	<u>\$539,814.24</u>	<u>@\$19.91/sf</u>

Type: New Lease – Advertise – Received six (6) proposals from three (3) proposers.

FRF Rate: \$18.00 per square foot

Purchase Option: No – Multi tenant

Lessor: Parkway Properties, LP, Bank of America Plaza

Comment: The proposed lease provides: (1) Lessor will build-out an existing building of 26,251 rsf, plus required security and including interior improvements at no additional cost to the State, (2) Lessor will furnish all utilities & janitorial services, and (3) proposed lease has no cancellation for the first five years except for cause and/or lack of funding and 180-day thereafter.

SSC Report: 07-16-07. Bob King summarized the transaction. Staff referred to Sub-Committee with recommendation.

SC Action: 07-23-07. At Charles Garrett's request, the Subcommittee deferred action on the transaction.

DEPARTMENT OF FINANCE AND ADMINISTRATION  
for  
DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Davidson County – 2100 Metro Center Blvd., Nashville, TN – Trans. No. 07-04-002 (BK &amp; JB)</u>
Purpose:	Acquisition in Fee to purchase the Labor & Workforce Development building
Source of Funding:	Facilities Revolving Fund - \$27,896,367.00
Owner(s):	S & F Development, LLC
SSC Report:	07-16-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.
SC Action:	07-23-07. Charles Garrett presented the transaction. He stated that a very favorable price was negotiated with the lowest evaluated proposer, and that a closing date was scheduled for 8/1/07. Treasurer Sims stated that this action seemed inconsistent with the original approval of the lease/purchase request. He said he understood, originally, that they wanted to do a lease/purchase build-to-suit because it was more economical to lease based upon federal participation. He added that he didn't want to get into the practices of a build-to-suit lease purchase and then immediately turning around and purchase the property when there are alternative delivery methods if the object is to build a new building. Mr. Garrett commented that, considering the negotiated purchase price and that the feds were willing to participate in the construction cost utilizing monies received from previous sales of buildings, that he believed this to be in the State's best interest. After general discussion of reimbursement terms, the request was approved as presented.

DEPARTMENT OF CHILDREN'S SERVICES

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT of interest in real property with WAIVER of ONE APPRAISAL as required by TCA 4-15-102 and 12-2-112.

Description:	<u>Jefferson County – 1.01 +/- &amp; 2.55 +/- acres – Mountain View Youth Development Center, Dandridge, TN – Trans. No. 07-06-002 (FB)</u>
Purpose:	Disposal by Easement to upgrade electric system infrastructure by granting right of way easement to Appalachian Electric Cooperative.
Estimated Sale Price:	Fair Market Value
Grantee:	Appalachian Electric Cooperative
SSC Report:	07-16-07. Jurgen Bailey summarized the transaction. Easement was appraised at \$18,700. Further investigation was requested to make certain that easement would have no adverse affects on our property. Staff referred to Sub-Committee for discussion.
SC Action:	07-23-07. Subcommittee approved the transaction as presented. Final action.

DEPARTMENT OF CHILDREN'S SERVICES

WOODLAND HILLS - YOUTH DEVELOPMENT CENTER, NASHVILLE, TENNESSEE

- 1) Approved a request for a revision in funding from \$300,000.00 to \$338,000.00 (\$38,000.00 increase) of a project for **Window Replacement Campus Wide** at Woodland Hills Youth Development Center in Nashville, and authorization to award a contract to Keystone Construction Services, LLC in the amount of \$272,000.00, which includes Alternates #1, #2 and #3, based on bids received July 10, 2007.

Revised Estimated Project Cost:       \$338,000.00  
*SBC Project No.                   144/002-02-2006*

- 2) Approved Delivery Order #15 and acknowledgment of the source of funding for **Energy Savings Performance Contracting** at Woodland Hills Youth Development Center, Nashville, Tennessee.

Estimated Project Cost:               \$990,000.00  
Estimated Delivery Order #15 Cost:   \$840,012.00  
*SBC Project No.                   144/002-01-2006*

DEPARTMENT CORRECTION

RIVERBEND MAXIMUM SECURITY INSTITUTION, NASHVILLE, TENNESSEE

- 1) Approved Delivery Order #18 and acknowledgment of the source of funding for **Energy Savings Performance Contracting** at the Riverbend Maximum Security Prison, Nashville, Tennessee. Treasurer Sims said he would like assurance that these energy savings measures were not going to do something to jeopardize security or cause other problems down the line.

Estimated Project Cost:	\$4,500,000.00
Estimated Delivery Order #18 Cost:	\$1,925,976.00
<i>SBC Project No.</i>	<i>142/020-01-2006</i>

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

STATEWIDE

- 1) Approved Delivery Order #13 and acknowledgment of the source of funding for **Energy Savings Performance Contracting** at David Crockett, Cumberland Mountain., Roan Mountain., Warriors' Path, Big Hill Pond, Chickasaw, Meeman-Shelby, Montgomery Bell, Natchez Trace and Reelfoot Lake State Parks, with design and construction provided by Johnson Controls, Inc.

Estimated Project Cost: \$1,349,000.00

Estimated Delivery Order #13 Cost: \$1,301,954.00

*SBC Project No. 126/000-03-2005*

**DEPARTMENT OF ENVIRONMENT & CONSERVATION**

**LAND ITEM**

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Hickman County – 35 +/- acres – Bon Aqua, TN – Trans. No. 05-11-011 (CH)**

Purpose: Acquisition in Fee to protect two (2) forested tracts that contain a high diversity of trees including exceptionally large trees.

Source of Funding: State Land Acquisition Fund

Estimated Cost: Pending Appraisal

Owner(s): William Duke, Jimmy Duke and Jackie Beaty

SSC Report: 12-12-05. Jurgan Bailey summarized the transaction. Staff referred to Sub-Committee for recommendation.

SC Action 12-19-05. Charles Garrett presented the transaction and introduced Reggie Reeves who made a brief presentation regarding the importance of this mature forest. He stated that the value was in the trees, and not the land. Subcommittee approved the request as presented. Final action.

**E.C.O.N. requesting permission to reimburse John Noel the former owner of the Bon Aqua site for a portion of the expenses he incurred as a result of his holding the property for the State until we could work through the approval and acquisition process. The total consideration is \$21,859.83.**

SSC Report: 07-16-07. Jurgan Bailey summarized the transaction. Staff requested attorney general's review to determine legal authority to authorize approval of this payment. Staff referred to Sub-Committee for discussion.

SC Action: 07-23-07. At Charles Garrett's request, the Subcommittee deferred action on the transaction.

**TENNESSEE WILDLIFE RESOURCES AGENCY**

**LAND ITEM**

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<b><u>Obion County – 309.95 +/- acres – Near Troy, TN – Trans. No. 07-06-001 (RJ)</u></b>
Purpose:	Acquisition in Fee to purchase property will allow greater management of the wetland bank & prevent future litigation.
Source of Funding:	TWRA
Estimated Cost:	Fair Market Value
Owner(s):	W. T. Hime
SSC Report:	07-16-07. Jurgen Bailey summarized the transaction. John Gregory stated the property is some risk of flooding this tract of land by the State's wetland bank and potential litigation from adjoining property owners. Staff referred to Sub-Committee for discussion.
SC Action:	07-23-07. Subcommittee approved the transaction as presented. Final action.

**TENNESSEE WILDLIFE RESOURCES AGENCY**

**LAND ITEM**

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT of interest in real property as required by TCA 4-15-102 and 12-2-112.

Description:	<b><u>Shelby County – 603 +/- acres – Memphis, TN – Trans. No. 07-6-022 (RJ)</u></b>
Purpose:	Disposal by Easement to be encumbered by a 30-year Wetland Reserve Program easement and be reforested by the Natural Resources Conservation Services at their cost.
Estimated Sale Price:	Fair Market Value
Grantee:	Natural Resources Conservation Services
SSC Report:	07-16-07. Jurgen Bailey summarized the transaction. John Gregory presented the transaction purpose and stated that the easement is for Agriculture Farming Rights. The Natural Resources Conservation Services will plant trees on the property then after 30 yrs. the agency can harvest the trees or leave them as is. The State will receive a value benefit of \$700,000 from this easement. Staff referred to Sub-Committee with recommendation.
SC Action:	07-23-07. Subcommittee approved the transaction as presented. Final action.

## TENNESSEE WILDLIFE RESOURCES AGENCY

### INFORMATION ITEM

Conservation Fund will be acquiring a tract of land called Rocky Fork in Greene and Unicoi Counties. T.W.R.A. has leased this land for 20 years. The acquisition of these 10,000 acres would be with U.S. Forestry Service funds, Conservation Trust Funds and private dollars. The 10,000 acres would be divided up between the State and the U.S. Forest Service depending on amounts of funds each contribute.

**ROCKY FORK  
UNICOI AND GREENE COUNTIES, TENNESSEE  
9700 +/- ACRES  
(Concept Presentation)**

The U. S. Forest Service, The Conservation Fund, Tennessee Wildlife Resources Agency, Tennessee Heritage Conservation Trust Foundation, and the Appalachian Trail Society are teaming up to try and acquire the Rocky Fork Tract in TN. This tract is of significant importance for wildlife and fisheries, recreational hiking on the Appalachian Trail, and other outdoor recreational enthusiast. The Rocky Fork tract has been leased by TWRA for over 25 years and is used for bear habitat and also for excellent native Brook Trout.

The parties are joining to try and acquire all, or as much as possible, of the tract. There is a draft map attached showing the priority of acquisition should fund not become available for the whole tract. It is estimated that the purchase price will be between thirty and forty million dollars. Presently there is about 14 million dollars accumulated for acquisition from several sources including State and Private Foundations or proposed in the upcoming Federal budget for this acquisition. Currently the only State funds committed are from the Heritage Conservation Trust Foundation.

The Conservation Fund has an option that will go valid with earnest money in August. TWRA has been managing this property for a number of years under a lease. TWRA can without additional cost continue to directly manage the portion of this tract acquired with State or private funds, and manage the hunting and fishing on the part bought by the Federal government as part of the Cherokee Wildlife Management Area. The Forest Service will manage the vegetation and non-hunting / fishing recreation on the portion of the tract that is acquired with Federal dollars. This is similar to the Gulf Tract, now called "Martha Sundquist State Forest", where the State acquired (Dept. of Ag.) some of the Gulf and the Forest Service the rest. All portions of Rocky Fork that are acquired, either by State or the Federal government, will continue to be managed by TWRA as part of the Cherokee Wildlife Management Area.

SSC Report: 07-16-07. John Gregory summarized the transaction. Staff referred to Subcommittee for information.

SC Action: 07-23-07. John Gregory summarized the transaction. Secretary Darnell asked if the federal funds don't materialize, will the State go forward with their portion. Mr. Gregory responded that it was the Agency's intention to try and get Legislative funds next session, and if not successful, TWRA will purchase the property with TWRA reserve funds. Treasurer Sims said he did not want to have any action taken today that assumes the General Assembly will have to take action on the matter. No action was required.

**TENNESSEE WILDLIFE RESOURCES AGENCY**

**Morton Tract  
South Holston River, Sullivan County  
63.96 acres**

The Morton Tract is located on the banks of the South Holston River. It is located approximately half way between the upstream South Holston dam and the back waters created by Boone dam. This trout fishery is one of the best in Tennessee. This river has natural occurring spawns of brown trout and is stocked with rainbow trout. Once you leave site of the dam there is no public access either for boats or bank fishing on this river. If you are not a landowner along the river the only way to fish this river is either to hire a guide boat or float the whole stretch of river on your own. TWRA's strategic plan has identified that providing public access to streams and rivers is a priority.

Earlier in 2007 TWRA requested an appraisal be done for a tract of land on the Holston River in Sullivan County (Transaction #07-02-009). TWRA has discussed this acquisition with the landowner and he is willing to sell at the appraised value. TWRA had hopes that funding would be approved in the Governor's budget, but it was removed near the end of this past Legislative Session. This tract is very important to provide access to this great trout fishery. TWRA has tried twice in the last 10 years to acquire rights to provide access to this river. In light of the funding issue the TWRA Commission (TWRC) at its June meeting decided that it would commit TWRA reserve funds for this acquisition. TWRC passed a motion that said that either State General Funds would be appropriated for this land acquisition or TWRA would use the TWRA reserve funds to close this tract of land no later than 24 months from the date of the motion.

TWRA has contacted The Conservation Fund (TCF) on securing the land for no more than two years. TCF has also recognized the need for better access to this river and have indicated that they would be very happy to help on this important tract. Their hopes are to negotiate a bargain sale to keep the entire transaction cost below the appraised value. If this can not be done, and discussions so far indicate that this might not be possible, TWRA would cover the associated cost in addition to the land cost. Past cost with TCF have been around a 5% overhead fee, 6% interest on funds used, plus direct expenses. TWRA has already paid for the appraisal and phase one environmental review. The survey has recently been done by the landowner and the landowner is willing to pay for the survey to be tied to State Plain Coordinate system. Bottom line is that the land, titlework, and closing cost will be the only cost carried by TCF.

SSC Report: 07-16-07. John Gregory summarized the transaction. Staff referred to Sub-Committee for information.

SC Action: 07-23-07. John Gregory summarized the transaction. Treasurer Sims said he did not want to have any action taken today that assumes the General Assembly will have to take action on the matter. Mr. Gregory indicated that it was the Agency's intention to try and get Legislative funds next session, and if not successful, TWRA will purchase the property with TWRA reserve funds. Subcommittee thanked him for the report. No action was required.

STATE BUILDING COMMISSION

MINUTES OF EXECUTIVE SUBCOMMITTEE MEETING

- 1) Approved the Minutes of the Executive Subcommittee meetings held on June 25 and June 27, 2007.

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Following approval of the Consent Agenda, the meeting adjourned at 11:17 a.m.

### CONSENT AGENDA

Approved the following real property transactions, which have been reviewed and recommended for approval by Sub-Committee staff:

- A. Agency: University of Tennessee – Hamilton County  
Transaction: Acquisition in Fee  
Provision: Waiver of Appraisals
- B. Agency: Department of Education – Madison County  
Transaction: Acquisition in Fee
- C. Agency: Finance & Administration for Human / Children's Services – Polk County  
Transaction: Lease Agreement
- D. Agency: Department of Revenue – Washington County  
Transaction: Lease Agreement
- E. Agency: Department of Agriculture – Wilson County  
Transaction: Acquisition in Fee
- F. Agency: Department of Environment & Conservation – VanBuren & White Counties  
Transaction: Acquisition in Fee
- G. Agency: Department of Environment & Conservation – Benton County  
Transaction: Acquisition in Fee
- H. Agency: Tennessee Wildlife Resources Agency – Fayette / Shelby Counties  
Transaction: Acquisition in Fee
- I. Agency: Tennessee Wildlife Resources Agency – Fayette / Shelby Counties  
Transaction: Acquisition in Fee
- J. Agency: Tennessee Wildlife Resources Agency – Fayette / Shelby Counties  
Transaction: Acquisition in Fee
- K. Agency: Tennessee Wildlife Resources Agency – Fayette / Shelby Counties  
Transaction: Acquisition in Fee
- L. Agency: Tennessee Wildlife Resources Agency – Fayette / Shelby Counties  
Transaction: Acquisition in Fee
- M. Agency: Tennessee Wildlife Resources Agency – Fayette / Shelby Counties  
Transaction: Acquisition in Fee

- N. Agency: Tennessee Wildlife Resources Agency – Fayette / Shelby Counties  
Transaction: Acquisition in Fee
- O. Agency: Tennessee Wildlife Resources Agency – Fayette / Shelby Counties  
Transaction: Acquisition in Fee
- P. Agency: Tennessee Wildlife Resources Agency – Fayette / Shelby Counties  
Transaction: Acquisition in Fee
- Q. Agency: Tennessee Wildlife Resources Agency – Fayette / Shelby Counties  
Transaction: Acquisition in Fee
- R. Agency: Tennessee Wildlife Resources Agency – Fayette / Shelby Counties  
Transaction: Acquisition in Fee
- S. Agency: Tennessee Wildlife Resources Agency –Sullivan County  
Transaction: Disposal by Easement
- T. Agency: Tennessee Wildlife Resources Agency –VanBuren 7 White Counties  
Transaction: Information
- U. Agency: Tennessee Board of Regents – Montgomery County  
Transaction: Demolition – Austin Peay State University

A.

UNIVERSITY OF TENNESSEE

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, WAIVER of APPRAISALS not to exceed the appraised value for the property being acquired:

Description:	<u>Hamilton County – 91 +/- acres located at 6703 Bonny Oaks Drive, Chattanooga, TN – Trans. No. 07-06-023 (GM)</u>
Purpose:	Acquisition in Fee will be used to further expand educational programs for both current and future students
Source of Funding:	University of Tennessee
Estimated Cost:	Gift
Owner(s):	Hamilton County Board of Education or US Department of Education
SSC Report:	07-16-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
SC Action:	07-23-07. Subcommittee approved the transaction as presented. Final action.

B.

**DEPARTMENT OF EDUCATION**

**LAND ITEM**

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Madison County – 0.92 +/- acres – 1943 Dr. F. E. Wright Drive, Jackson, TN – trans. No. 07-06-019 (RJ)

Purpose: Acquisition in Fee to acquire adjacent property to West TN School of the Deaf to provide new entrance, drive and security check point with fencing to secure entire campus.

Source of Funding: G. O. Bonds & Capital State Funds

Estimated Cost: Fair Market Value

Owner(s): R.R. Rushing

SSC Report: 07-16-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 07-23-07. Subcommittee approved the transaction as presented. Final action.

C.

**FINANCE & ADMINISTRATION**  
**for**  
**HUMAN & CHILDREN'S SERVICES**

**LEASE AGREEMENT**

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: **Polk County – 240 Cherokee Circle, Benton, TN – Trans. No. 06-02-916 (RS)**

Purpose: To provide office space for county operation

Term: July 1, 2008 thru June 30, 2018 (10 yrs)

Proposed Amount:	<u>4,023 Square Feet</u>		
	Annual Contract Rent:	\$28,990.00	@ \$ 7.21/sf
	Est. Annual Utility Cost:	\$ 5,632.20	@ \$ 1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 4,425.30</u>	<u>@ \$ 1.10/sf</u>
	Total Annual Effective Cost:	\$39,047.50	@ \$ 9.71/sf

Current Amount:	<u>4,320 Square Feet</u>		
	Annual Contract Rent:	\$16,930.00	@ \$3.92/sf
	Est. Annual Utility Cost:	\$ 6,048.00	@ \$1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 4,752.00</u>	<u>@ \$1.10/sf</u>
	Total Annual Effective Cost:	\$27,730.00	@ \$6.42/sf

Type: New Lease – Advertise – Received five (5) proposals from two (2) proposers.

FRF Rate: \$12.50 per square foot

Purchase Option: Yes – 1 thru 10 years

Lessor: Kenneth David Bishop

Comment: The proposed lease provides (1) Lessor is to provide a new built to suit building containing 4,023 rentable square feet including tenant improvements at no additional cost to the State, and (2) proposed lease has no cancellation for the first five (5) years except for cause and/or lack of funding and 180-day thereafter.

SSC Report: 07-16-07. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 07-23-07. Subcommittee approved the transaction as presented. Final action.

D.

DEPARTMENT OF REVENUE

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AGREEMENT for the rental of real property as required by TCA 12-2-115:

Location: Washington County – 204 High Point Drive, Johnson City, TN – Trans. No. 07-02-904 (JS)

Purpose: To provide office space for area operations

Term: October 1, 2007 thru September 30, 2017 (10 yrs.)

Proposed Amount:	<u>9,755 Square Feet</u>		
	Annual Contract Rent:	\$110,400.00	@\$11.32/sf
	Est. Annual Utility Cost:	\$ 13,657.00	@\$ 1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 10,730.00</u>	<u>@\$ 1.10/sf</u>
	Total Annual Effective Cost:	\$134,787.00	@\$13.82/sf

Current Amount:	<u>9,755 Square Feet</u>		
	Annual Contract Rent:	\$104,452.32	@\$10.71/sf
	Est. Annual Utility Cost:	\$ 13,657.00	@\$ 1.40/sf
	Est. Annual Janitorial Cost:	<u>\$ 10,730.00</u>	<u>@\$ 1.10/sf</u>
	Total Annual Effective Cost:	\$128,839.82	@\$13.21/sf

Type: New Lease – Advertise – Received two (2) proposals from the current lessor.

FRF Rate: \$13.50 per square foot

Purchase Option: Yes – 1 thru 10 years

Lessor: High Point Centre

Comment: The proposed lease provides (1) Lessor is to provide 9,755 rentable square feet including tenant improvements at no additional cost to the State, and (2) proposed lease has no cancellation for the first five (5) years except for cause and/or lack of funding and 180-day thereafter.

SSC Report: 07-16-07. Bob King summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 07-23-07. Subcommittee approved the transaction as presented. Final action.

E.

**DEPARTMENT OF AGRICULTURE**

**LAND ITEM**

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Wilson County – 80 +/- acres – Cedars of Lebanon State Park, Gladeville, TN – Trans. No. 07-06-020 (FB)</u>
Purpose:	Acquisition in Fee to acquire property to prevent development and be part of the State Forrest.
Source of Funding:	State Land Acquisition Funds
Estimated Cost:	\$168,000.00
Estimated Title, Appraisal, and Survey Fees:	Fair Market Value
Owner(s):	William L. Turner c/o AmSouth Bank Bob Capers
SSC Report:	07-16-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
SC Action:	07-23-07. Subcommittee approved the transaction as presented. Final action.

F.

**DEPARTMENT OF ENVIRONMENT & CONSERVATION**

**LAND ITEM**

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<b><u>VanBuren &amp; White Counties – 181 +/- acres – Scott Pinnacle Tract, TN – Trans. No. 07-01-027 (BW)</u></b>
Purpose:	Acquisition in Fee to preserve the natural area
Source of Funding:	TWRA Wetlands Fund - \$ 48,455.00 Heritage Conservation Trust Fund - \$ 398,200.00
Estimated Cost:	\$446,655.00
Estimated Title, Appraisal and Survey Fees:	Fair Market Value
Owner(s):	Bowater, Inc.
SSC Report:	2-12-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee with recommendation.
SC Report:	2-20-07. Charles Garrett presented the transaction. Subcommittee approved the requested as presented.
SSC Report:	07-16-07. Jurgen Bailey summarized the transaction and requested approval to change funding source from the State Land Acquisition Fund to the TWRA Wetlands Funds. Staff referred to Sub-Committee for consent agenda.
SC Action:	07-23-07. Subcommittee approved the transaction as presented. Final action.

G.

DEPARTMENT OF ENVIRONMENT & CONSERVATION

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Benton County – 18.75 +/- acres – NB Forrest State Park, Eva, TN – Trans. No. 07-06-021 (FB)</u>
Purpose:	Acquisition in Fee to prevent unauthorized activity and secure boundaries to the park.
Source of Funding:	State Land Acquisition Funds
Estimated Cost:	\$50,000.00
Owner(s):	John & Wilmoth Payne
SSC Report:	07-16-07. Jorgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
SC Action:	07-23-07. Subcommittee approved the transaction as presented. Final action.

**TENNESSEE WILDLIFE RESOURCES AGENCY**

**LAND ITEM**

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Fayette/Shelby County – 177.35 +/- acres –Lagrange/Collierville, TN – Trans. No. 07-06-004 (RJ)**

Purpose: Acquisition in Fee for the purpose is to acquire 915.1754 +/- acres by gift located in the Wolf River WMA.

Source of Funding: TWRA

Estimated Cost: Gift

Owner(s): Shelby County

SSC Report: 07-16-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 07-23-07. Subcommittee approved the transaction as presented. Final action.

I.

**TENNESSEE WILDLIFE RESOURCES AGENCY**

**LAND ITEM**

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<b><u>Fayette/Shelby County – 193.76 +/- acres –Lagrange/Collierville, TN – Trans. No. 07-06-005 (RJ)</u></b>
Purpose:	Acquisition in Fee for the purpose is to acquire 915.1754 +/- acres by gift located in the Wolf River WMA.
Source of Funding:	TWRA
Estimated Cost:	Gift
Owner(s):	Shelby County
SSC Report:	07-16-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
SC Action:	07-23-07. Subcommittee approved the transaction as presented. Final action.

**TENNESSEE WILDLIFE RESOURCES AGENCY**

**LAND ITEM**

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Fayette/Shelby County – 8.08 +/- acres –Lagrange/Collierville, TN – Trans. No. 07-06-006 (RJ)

Purpose: Acquisition in Fee for the purpose is to acquire 915.1754 +/- acres by gift located in the Wolf River WMA.

Source of Funding: TWRA

Estimated Cost: Gift

Owner(s): Wolf River Conservancy

SSC Report: 07-16-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 07-23-07. Subcommittee approved the transaction as presented. Final action.

K.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Fayette/Shelby County – 83.52 +/- acres –Lagrange/Collierville, TN – Trans. No. 07-06-007 (RJ)</u>
Purpose:	Acquisition in Fee for the purpose is to acquire 915.1754 +/- acres by gift located in the Wolf River WMA.
Source of Funding:	TWRA
Estimated Cost:	Gift
Owner(s):	Wolf River Conservancy
SSC Report:	07-16-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
SC Action:	07-23-07. Subcommittee approved the transaction as presented. Final action.

**TENNESSEE WILDLIFE RESOURCES AGENCY**

**LAND ITEM**

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Fayette/Shelby County – 111.11 +/- acres –Lagrange/Collierville, TN – Trans. No. 07-06-011 (RJ)</u>
Purpose:	Acquisition in Fee for the purpose is to acquire 915.1754 +/- acres by gift located in the Wolf River WMA.
Source of Funding:	TWRA
Estimated Cost:	Gift
Owner(s):	Wolf River Conservancy
SSC Report:	07-16-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
SC Action:	07-23-07. Subcommittee approved the transaction as presented. Final action.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<u>Fayette/Shelby County – 83.89 +/- acres –Lagrange/Collierville, TN – Trans. No. 07-06-012 (RJ)</u>
Purpose:	Acquisition in Fee for the purpose is to acquire 915.1754 +/- acres by gift located in the Wolf River WMA.
Source of Funding:	TWRA
Estimated Cost:	Gift
Owner(s):	Wolf River Conservancy
SSC Report:	07-16-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
SC Action:	07-23-07. Subcommittee approved the transaction as presented. Final action.

**TENNESSEE WILDLIFE RESOURCES AGENCY**

**LAND ITEM**

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Fayette/Shelby County – 3.34 +/- acres –Lagrange/Collierville, TN – Trans. No. 07-06-013 (RJ)**

Purpose: Acquisition in Fee for the purpose is to acquire 915.1754 +/- acres by gift located in the Wolf River WMA.

Source of Funding: TWRA

Estimated Cost: Gift

Owner(s): Wolf River Conservancy

SSC Report: 07-16-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 07-23-07. Subcommittee approved the transaction as presented. Final action.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Fayette/Shelby County – 3.27 +/- acres –Lagrange/Collierville, TN – Trans. No. 07-06-014 (RJ)

Purpose: Acquisition in Fee for the purpose is to acquire 915.1754 +/- acres by gift located in the Wolf River WMA.

Source of Funding: TWRA

Estimated Cost: Gift

Owner(s): Wolf River Conservancy

SSC Report: 07-16-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 07-23-07. Subcommittee approved the transaction as presented. Final action.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Fayette/Shelby County – 2.35 +/- acres –Lagrange/Collierville, TN – Trans. No. 07-06-015 (RJ)

Purpose: Acquisition in Fee for the purpose is to acquire 915.1754 +/- acres by gift located in the Wolf River WMA.

Source of Funding: TWRA

Estimated Cost: Gift

Owner(s): Wolf River Conservancy

SSC Report: 07-16-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 07-23-07. Subcommittee approved the transaction as presented. Final action.

Q.

**TENNESSEE WILDLIFE RESOURCES AGENCY**

**LAND ITEM**

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Fayette/Shelby County – 4.58 +/- acres –Lagrange/Collierville, TN – Trans. No. 07-06-016 (RJ)**

Purpose: Acquisition in Fee for the purpose is to acquire 915.1754 +/- acres by gift located in the Wolf River WMA.

Source of Funding: TWRA

Estimated Cost: Gift

Owner(s): Wolf River Conservancy

SSC Report: 07-16-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 07-23-07. Subcommittee approved the transaction as presented. Final action.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: Fayette/Shelby County – 243.93 +/- acres –Lagrange/Collierville, TN – Trans. No. 07-06-017 (RJ)

Purpose: Acquisition in Fee for the purpose is to acquire 915.1754 +/- acres by gift located in the Wolf River WMA.

Source of Funding: TWRA

Estimated Cost: Gift

Owner(s): Wolf River Conservancy

SSC Report: 07-16-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 07-23-07. Subcommittee approved the transaction as presented. Final action.

TENNESSEE WILDLIFE RESOURCES AGENCY

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of EASEMENT of interest in real property as required by TCA 4-15-102 and 12-2-112:

Description:	<u>Sullivan County – 0.08 +/- acres – Fort Patrick Henry Lake, Kingsport City, TN – Trans. No. 07-06-018 (RJ)</u>
Purpose:	Disposal by Easement from outside developer to gain easement access for a drainage area and a sewer line on one of the State boat ramp areas of Fort Patrick Henry Lake.
Estimated Sale Price:	Fair Market Value
Grantee:	City of Kingsport / Shoreline Development Partnership
SSC Report:	07-16-07. Jorgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.
SC Action:	07-23-07. Subcommittee approved the transaction as presented. Final action.

**TENNESSEE WILDLIFE RESOURCES AGENCY**

**SCOTTS PINNACLE  
VAN BUREN / WHITE COUNTIES  
150 +/- ACRES**

Scotts Pinnacle is located on the Cumberland Plateau and is surrounded by the Bridgestone-Firestone Centennial Wilderness Wildlife Management Area on two sides. At one point this land was to be bought with Bond money left over from the Bowaters acquisitions, but was later changed to Conservation Heritage Trust Fund grant money and State Lands Acquisition Fund dollars. TWRA was to receive this tract since it could easily be incorporated into the existing WMA. The law does not allow money from the State Lands Acquisition Fund to be used for WMAs or Refuges. For this reason TWRA has told Commissioner Fyke and the State Lands Acquisition Committee (SLAC) that TWRA would use Wetland Funds in place of State Lands Acquisition dollars for this acquisition. Scotts Pinnacle is part of Scott's Gulf and the Wetland Acquisition law was amended allowing TWRA to purchase land at Scott's Gulf.

In talking with TDEC on this we have decided to proceed with closing the transaction as currently funded, but have the jurisdiction go to TWRA. The plan is to have TDEC journal voucher TWRA for the total amount used out of the SLAC funds for Scott's Pinnacle.

I request that we provide information to the Executive Subcommittee indicating this change in funding.

SSC Report: 07-16-07. Jurgen Bailey summarized the transaction. Staff referred to Sub-Committee for consent agenda.

SC Action: 07-23-07. Subcommittee approved the transaction as presented. Final action.

TENNESSEE BOARD OF REGENTS

AUSTIN PEAY STATE UNIVERSITY, CLARKSVILLE, TENNESSEE

- 1) Approved a project to **Demolish Six Residences** located on Castle Heights and Parham Drive in Clarksville, Tennessee, and use the properties for expansion of parking or future student housing sites.

<b>Estimated Project Cost:</b>	<b>\$330,000.00</b>
<i>SBC Project No.</i>	<i>166/003-03-2007</i>

Approved by: \_\_\_\_\_

M.D. Goetz, Jr., Commissioner  
Department of Finance and Administration